

# APPLICATION FOR UNITED STATES PATENT

## SPECIFICATION

### METHOD FOR BUSINESS SOLUTIONS

#### FIELD OF THE INVENTION

The present invention relates generally to methods for improving business performance and profitability. More particularly, it relates to a method that incorporates a number of interrelated ideas which, if implemented correctly, can increase the productivity of a business and also lower the cost of products and services provided by that business or by its related companies. It also relates to a method that provides the necessary capital to expand such a business by manufacturing products in other parts of the world, increases exports for that business optimizes taxes, merger(s) and acquisition costs. Such ideas are referred to generically throughout this application as "business solutions."

## BACKGROUND OF THE INVENTION

In the experience of this inventor, there are methods that can be implemented to improve the performance and profitability of certain companies. The present invention describes and claims specific method(s) that incorporates a number of interrelated ideas which, if implemented correctly, can increase the productivity of a business and also lower the cost of products and services provided by that business or by its related companies. As mentioned above, such ideas are referred to generically throughout this application as "business solutions." The business that implements these business solutions is referred to as "the company" (or "COMPANY") and the person or individual doing most of the acquisitions work described in this application can be the chief executive officer (or CEO) of that company. A franchise shall carry the name of the office equipment manufacturer mentioned in this application as "ENTERPRISE 2" and it is called, generically, "Office Equipment Maker." This company shall have exports in different parts of the world. In some cases, one enterprise (or "ENTERPRISE") can provide the products and/or services produced by other ENTERPRISES, and vice versa. Additionally, the combination of an existing and new companies and/or services and operations that benefit by the financing methods described in this application will be known as the "PROJECT." And the "CONTRACTOR" is a qualified existing or new overseas

company interested in the manufacturing and/or assembling of the products contracted out by the "COMPANY."

## SUMMARY OF THE INVENTION

5 Accordingly, it is an object of the present invention to provide a method for use by a company that wants to improve its performance and profitability. It is another object to provide such a method that increases its productivity while lowering the cost of products and services provided by that business or by its related companies. The method of the present invention obtains these objects by requiring  
10 the company to divest itself of certain businesses that it controls, to negotiate the trade with other businesses and to increase its business service operations by acquiring other companies that are specialists in their respective areas of products and/or services. It also provides an alternative to the company for its method of compensating company employees, consultants and franchises.

15 The ideas and the method of the present invention applies, but is not limited to, the following types of businesses:

1. Companies who have had or have consumer phone business and did and/or want to get out of that business by selling the business to small foreign telecom companies.

2. Companies who presently sell products and/or services to airlines and have very good, long term relationships with them.

3. Companies who presently sell products and/or services to local power or natural gas distribution companies and have very good, long-term business relationships with them.

4. All of those companies that must invest or have investments in media companies for the reason(s) which will be described in more detail later.

#### BRIEF DESCRIPTION OF THE DRAWINGS

Fig. 1 is a schematic diagram illustrating the proper implementation of the method of the present invention.

Figs. 2a, 2b and 2c are a schematic diagram illustrating a financing scheme for the method of the present invention and pertaining to manufacturing contracts where facilities are adequate and the party has no money to buy materials.

Figs. 3a, 3b and 3c are a schematic diagram illustrating a financing scheme for the method of the present invention and pertaining to a business opportunity with existing facilities but which needs modernization and operation capital.

Figs. 4a, 4b, 4c and 4d are a schematic diagram illustrating a financing

scheme for the method of the present invention pertaining to a new business opportunity that requires a new facility and operation capital.

Fig. 5 is a schematic diagram illustrating an optimization package for import/export business.

Fig. 6 is a schematic diagram illustrating an optimization method for mergers and acquisitions.

Figs. 7a and 7b are a table of terms and abbreviations used throughout the detailed description and in the foregoing diagrams.

#### DETAILED DESCRIPTION

The method of the present invention requires the following steps to be followed:

1. Increase the "COMPANY's" business-services operation by providing the following business solutions services.

Through "business solutions" this inventor means a wide range of recommendations that, if implemented correctly, can save money to the owner(s) of that business. That business shall hire/buy (with cash and stock) the following personnel or companies. Also, the business solution shall be a franchise. (See description below)

People and/or companies who developed specialized hardware and

software, who know and are able to select the above and provide customers with business solutions and maintain them and the system(s) offered, all at low cost.

The “business solutions” specialist(s) shall recommend methods and ways to improve and reduce the cost(s) associated with: purchasing raw materials, components, energy, production equipment and services, employees hiring and/or benefits, labor, organization’s marketing, engineering, taxes, finance/financing arrangements, accounting, communications, travel, transportation, shipping, legal services, insurance, management, compensation levels, paper work and union(s) relations, domestic and international. All savings shall be quantified in US dollars through a feasibility study. All business saving measures (or BSM) recommended to clients, must be described, without details of any kind, except the cost in the feasibility study. The business owner/manager shall have the opportunity to evaluate the benefit(s) vs. cost(s) in US dollars. All results of the study shall be discussed with the client’s designated management representative; which shall be the decision maker. He/she shall make the selection and decision to go ahead. The customers will be small and medium size companies from a wide spectrum of businesses. They do not have this kind of expertise, resources to hire and retain, specialized consultant(s), or employees, but need the services to survive and/or to become more competitive and grow domestic and international. The “COMPANY” should hire/contract these

experts, which will form the "Management Advisory Team," as "COMPANY" employees or consultants and they shall be paid a small retainer, to be sure that they are available to work on short notice. This way, the "COMPANY" can count on their availability and they can retain their existing clients who count on their reliability.

5 The "COMPANY" shall strategically locate a team in a number of cities, located across the United States, each of which has at least one major league sports team, regardless of the type. All consultants and/or employees can be found locally. In some instances, there could be exceptions to this.

Referring now to Fig.1, when "COMPANY" sales people or franchise  
10 identify **1** a prospective client, interested in some or all of the above, they shall pass the information **2** on to the financial institution, or "bank" (the BANK) which can evaluate the prospective client's credit **3, 4, 5**. Once the BANK approves it **5** they can proceed further. The next step is to draw up a letter of intent **6** to be signed by the customer **7**. The branch sales people shall call on the company's owners and/or  
15 boards chairmen. The letter of intent shall be written by/on "COMPANY" branch business manager/stationeries that carry more weight than franchisees. This letter of intent shall specify that, if the study **8** is done and some or all of the BSM are bought and/or implemented **13, 14, 15** the customer shall compensate **16** the "COMPANY" for its work, with a substantial, negotiated percentage (60-90%) of the savings **15**, for

a period of three (3) years, starting from the day when the implementation was complete and/or warranty did start. The liabilities, percentages, verification and time of payment shall be well defined in the above-mentioned letter. Only after the letter is signed, the "COMPANY" shall send a management advisory team (the "MAT") to work on the study. After the study is completed, it will be discussed with and reviewed by the client 9 and the BSM selected 10. The contract will be signed 11. The company people shall negotiate the lease with the financial institution 12. The "MAT" and customer shall have a very good idea about the situation(s) before and after. The client, together with the "COMPANY" MAT that implemented and/or supervised implementation shall be aware of the results. This inventor suggests that evaluation(s) and payment(s) to the "COMPANY" be made quarterly. Each payment received from a customer shall specify the field of BSM that generated the savings (accounting, travel, employee benefits, marketing, etc).

The members of the MAT shall be compensated 17 in the following

manner:

- a) The "COMPANY" employees shall receive a small but decent salary, full benefits for them and their families and a large, one time bonus proportional with the revenues generated by them for the "COMPANY," from each



customer. The recommended bonus would be 5%.

b) Consultants shall receive a small but decent monthly retainer, no benefits and 50% of each payment received by the "COMPANY," for each of their successfully implemented BSM.

c) The franchisee shall receive a 10% discount on all "Office Equipment Maker" brand equipment and software purchased through the "COMPANY" and required on their jobs. For the first customer found by them in that year who needed assistance from the "COMPANY's" business solutions group, the discount shall be an additional 5%. For the next 3 customers, in the same year, identified by them and needing the "COMPANY" help, the discount shall be an additional 5% of the precedent discount which is 0.25%.

2. Increase the "COMPANY's" business-services operation by acquiring the following companies which are necessary to implement "Business Solutions."

2.1 Acquire, through a negotiated share exchange, ENTERPRISE 1, an assembler/manufacturer/trader/up-grader of desktops, portable and other computers and computer services needed by a wide range of markets.

2.2 Acquire, through a negotiated share exchange, ENTERPRISE 2, a  
5 manufacturer of office equipment and services.

2.3 Acquire, through a negotiated share exchange, ENTERPRISE 3, a provider of software and services designed to greatly increase the productivity, reliability and recoverability of its client's core informational technology (or IT) operation.

2.4 Acquire, through a negotiated share exchange, ENTERPRISE 4, a  
10 supplier of application server software and services that enable the effective and efficient enterprise-wide deployment and management of applications, including those designed for Microsoft.

2.5 Acquire, through a negotiated shares exchange, ENTERPRISE 5, a  
15 designer, developer, manufacturer and marketer of digital imaging products and services.

2.6 Acquire, through a negotiated shares exchange, ENTERPRISE 6, a developer, marketer and supporter of systems software products that are designed to improve productivity in application development, implementation and maintenance

and also offers system analysis, design, programming, system planning and/or consulting.

2.7 Acquire, through a negotiated shares exchange, ENTERPRISE 7, a designer, manufacturer and marketer of computer-based information systems and  
5 related products and services.

2.8 Acquire, through a negotiated shares exchange, ENTERPRISE 8, a provider of information technology services through: outsourcing (operating customer's technology infrastructure), system integration (designing, developing and implementing information systems), IT and management consulting services.

2.9 Acquire through a negotiated shares exchange, ENTERPRISE 9, a  
10 telecom company involved in networking, enterprise/consumer and telecom components. It also designs, develops, manufactures and/or services systems and software which enable network operators and other service providers to provide wire line/wireless access. The networking solutions and services support voice, data and  
15 video transmissions. In addition to the above, it manufactures products and/or systems for mobile communications. ENTERPRISE 9 will provide low cost communications for all markets described.

2.10 Acquire through a negotiated shares exchange, ENTERPRISE 10, a machine tool and factory automation company that is engaged in research,

development, manufacture and service of machine tools, electronic controls and communication products including control logic, sensors, human-machine interface devices and/or software products.

2.11 Acquire through a negotiated shares exchange, ENTERPRISE 11,  
5 an energy savings company (ESCO), that will advise the customer how to save energy, reduce the purchasing cost(s) and identify the low cost supplier(s) in that area.

2.12 Acquire through a negotiated shares exchange a software company,  
ENTERPRISE 12, whose main products are helping clients with their income taxes  
10 and project/investment financial analysis, decisions and/or software.

Where franchised, the business and all products and services sold shall be under the "Office Equipment Maker" brand name. Otherwise, the products and services must be under the "COMPANY" name brand, sold by "COMPANY" employees. No exclusivity will be provided to any franchise for any designated area.  
15 Business will be conducted everywhere and with everyone. In effect, more than one company operating in the same area could implement the business solutions.

The "COMPANY" will have major advantages for a while due to the following reasons:

1) The "COMPANY" has a larger past or present business, an extensive

customer base, and has a good and well-recognized name in its operating area.

2) Good relations with the phone, power and airline companies to whom the "COMPANY" sold the phone business or sells equipment and/or services to power companies and can and shall introduce the "COMPANY" to their past and/or present customers, for a finder's fee. The franchises, under the "Office Equipment Maker" name, shall be introduced, to their prospective clients by, the natural gas distribution companies operating in that area and/or, other phone companies also operating in the same territory, for a similar fee.

3) Passive investments in media organizations, which could broadcast commercials for "Business Solutions," at reduced rate(s). It will require a massive, local advertising campaign with appeal to a wide range of parties: future customers, existing specialized companies interested in selling or franchising and prospective qualified employees.

4) Larger product line: computers, office equipment, software, networking products and/or services, consulting services, and relatively easy access to targeted market(s).

5) More distribution channels and two brands: The "COMPANY" and the "Office Equipment Maker."

6) Good business relations with foreign phone companies to whom the

“COMPANY” would sell, through negotiations, the consumer phone business. As an alternative for phone business, the “COMPANY” presently can sell, power or other utility equipment, to power companies and aviation equipment and services to airlines. To stimulate the “COMPANY”, prospective customers the power, natural gas, telephone and airlines companies can provide incentives to their customers who buy “Business Solutions” services, in the form of rebates or free tickets.

### 3. International Marketing and Business Opportunities

A) To successfully expand the “COMPANY” new “Business Solutions” business, the “COMPANY” should: develop new programs, software applications to accommodate the wide range of US customers, by contracting to foreign qualified companies.

B) Assemble computers, office equipment and other equipment overseas, through technology transfers, via joint ventures, with qualified partners.

C) Eastern Europe can provide many good workers, engineers and programmers, many of who are currently unemployed

D) The manufacturing managers must be provided by the “COMPANY.” It shall set up the quality control systems and use their experience gained at their past employer to assemble world class products at a very low cost.

E) If the products will be manufactured and/or assembled by the

“COMPANY” joint ventures (or “JV’s”) via a technology transfer or not, and/or when the final/partial product it is the “COMPANY” intellectual property or not, there are several different alternatives available: 1) existing facilities are adequate; 2) existing facilities need modernization; 3) new facilities are needed; and 4) any combination of these.

E1) Existing facilities are adequate and there is no need for expansion and/or modernization but needs operation captial. This is basically the case of the manufacturing contract and license where the contractor “C” does not have money to buy materials. The “COMPANY” must supply all necessary components to assemble the products through a technology transfer or not. A third party, with no other interest except well being of the new business, should identify overseas local, qualified parties and recommend them to the “COMPANY.” The third party compensation, the finder’s fee, for finding a good business opportunity for the “COMPANY” and making all necessary arrangements shall be a share in that business provided by the “COMPANY.” The third party finder’s fee for bringing business to financial institutions mentioned above shall be a share in that business, taken from their shares if they provide the equity, or cash if they provide the lease, or a combination. The contractor shall pay a finder’s fee in shares of the business where F(s) provides equity. Also, some financial/technical feasibility study must be

completed and presented to the “COMPANY” and to the financial institutions.

Workers and management salaries and profits shall be in kind and the finished product belonging to them shall be sold on local/international markets through designated organizations. In this way, these two parties will be interested in quality,

5 to increase the business and the bad habit of stealing will be prevented. Any missing finished product and/or parts shall be deducted from their shares of the finished product. All capital required to buy materials/components per “COMPANY” specifications to assemble and/or manufacture the finished product shall be provided as equity in a specific joint venture by one of the financial institutions described  
10 above. Also some financial/technical feasibility study must be completed and presented to the “COMPANY.” If the “COMPANY” is interested in principle, more studies must be done including a business plan based on a long-term contract given by “COMPANY” or his business associates to the business overseas.

In this sequence of operation, this is basically the case of the  
15 manufacturing contract. See Figs. 2a, 2b and 2c. VM shall identify **18** a potential US business, the “COMPANY,” interested in contracting out overseas a product and/or components. VM shall ask **19** the “COMPANY” for specs, drawings and the price to beat. After receiving all of that information, VM shall send it to IEJVS without the “COMPANY” name **20**. IEJVS, armed with all information, shall start shopping **21**



for a contractor "C." After IEJVS finds a qualified "C" able to provide quality goods at the price to beat **22**, it shall send **23** all data about "C" to VM. VM shall present **24** data about "C" to the "COMPANY." If data is acceptable **25** to the "COMPANY," VM shall propose to them **26** the formation of USCJV and OCCJV (the Project) and

5 discuss the optimum prices for transferred goods between companies, LTC1 and LTC2. USCJV is a joint venture between "COMPANY," VM and C and shall be located in the US in a low tax area and shall make most of the profits. OCCJV shall be a joint venture between C and VM in the country where C is located. If negotiations are successful, "COMPANY" shall sign a confidentiality agreement **27**

10 and a letter of intent **28** spelling out all conditions for creation of ownership percentages in OCCJV, USCJV, LTC1, LTC2 and transfer the goods. C shall be paid in components/materials for his labor and usage of his facilities. The amount of finished products shipped to USCJV shall be spelled out clearly and so too the amount finished products belonging to C. The letter of intent shall be sent to IEJVS

15 **29.** If the "COMPANY" will reject **30** C, then other steps will follow **31, 32.** IEJVS shall present the letter of intent to C **33** and, if accepted by C **34**, the USCJV and OCCJV shall be formed **35** and the "COMPANY" issues **36** the LTC1 to USCJV. USCJV shall issue **37** the LTC2 to OCCJV. A shall issue LTC4 to OCCJV for a specified amount of finished product at a certain price **38.** Armed **39** with the LTC2

and LTC4, and other information, VM and C shall approach F(s) and propose to them being partners in a OCCJV **40**. F's equity in the OCCJV shall be the capital required to purchase all materials as specified by the "COMPANY." VM shall receive a percentage in OCCJV. If F(s) evaluates and accepts the OCCJV proposal, a negotiated number of shares in OCCJV shall become the property of F(s) **41**: C provides facilities and labor, VM brought the contract and F(s) will provide the materials. If F(s) rejects **42**, then another step **43** is followed. F(s) shall wire money, their equity, to B to buy materials from V1 **44**. B purchases materials from V1 **45** and V1 pays a finder's fee to VM. OCCJV shall write LTC3 **46** to C. V1 shall ship the materials/parts to OCCJV per OP **47**. After the goods are produced **48**, some are shipped to USCJV **49** and others are shipped to A **50** per LTC4. A pays for product received **51** per LTC4 to OCCJV. OCCJV pays C **52** per LTC3. C pays other expenses and salaries to C workers **53**. OCCJVP pays profits to VM **54**, F3 **55** and C **56**. A shall be a joint venture between VM and OTHERS. Upon arrival to the US, the transaction between UCCJV and COMPANY shall take place in accordance with LTC1 **57**. The goods shall be shipped directly to C facilities to "COMPANY" warehouses. The profits from UCCJV shall be passed on to partners **58**. A shall pay the profits to partners **59**. The cycle shall repeat. If the entire operation works as designed, VM can sell some of its own shares in USCJV, OCCJV and A to OTHERS

and/or IEJVS 60.

E2) Business has existing facilities that need some modernization and operation capital. In these JV's, the local partners shall be responsible for supplying and paying for all required labor, facilities expenses and utilities. See Figs. 3a, 3b and 3c. The "COMPANY" must supply all necessary components to assemble the products through a technology transfer or not. In exchange for components/parts, know how and/or a long-term contract provided by the "COMPANY" or one of its subsidiaries and/or acquired with the "COMPANY" assistance, the "COMPANY" or its subsidiary shall receive a negotiated share in that joint venture. A third party with no other interest except the well being of the new business, should identify all local, qualified parties and recommend them to the "COMPANY." The qualified partners can be any combination between the workers, owners and management of that plant and utilities operating in that area. The third party compensation, the finder's fee, for finding a good business opportunity for the "COMPANY" and making all necessary arrangements shall be a share in that business provided by the "COMPANY." The third party finder's fee for bringing business to the financial institutions mentioned above shall be a share in that business taken from their shares if they provide the equity, cash if they provide the lease, or a combination. The third party finder's fee for bringing business to that operation shall be a share in that business taken out from

the remaining shares of the owners of that business. The third party finder's fee for bringing business to qualified vendors through bidding or negotiated process shall be a percentage of that order.

If the project/plant will be built in certain locations overseas, all of the  
5 necessary capital for purchasing the raw materials, components, equipment and money for modernization/expansion can and shall be supplied as equity in a specific joint venture or as a lease by the financial institutions mentioned above. Workers and management salaries and profits shall be in kind and the finished product belonging to them shall be sold on local/international markets through designated organizations.

10 In this way, these two parties will be interested in quality, to increase the business and the bad habit of stealing will be prevented. Any missing finished product and/or parts shall be deducted from their shares of the finished product. The utilities can introduce the JV2's local sales people to local, qualified, customers. The workers, management, owners and the "COMPANY" shall take the profits as agreed, in kind  
15 and in accordance to their share of the business.

Part or all of the capital required for construction and/or equipment-purchasing/installation can and shall be provided by one or more of the financial institutions mentioned above under a lease form. The building and/or equipment shall be leased to JV2. The "lease" shall be for a previously agreed upon period of

time. The regular lease payments (LP), paid by lessee shall be equal or less than the profits generated in the same period of time by the percentage of the business assigned to the lessee. At the end of the lease, the property shall be transferred to the lessee at no cost. By doing this, all of the capital required to start and operate the business will be supplied by the financial institutions with no risk for other partners.

This is "FREE INVESTMENT." To ensure the optimum operation of the JV and to avoid problems of any kind with the products manufactured and/or assembled overseas, the responsible people employed by that overseas supplier shall receive a salary paid in US dollars in the United States. If there are problems, the salary shall not be paid and all or part of the damages must be deducted from their pay. After the lease is paid, "COMPANY" shall divest in time all of the holdings in the international joint ventures, via IPO's through overseas country stock markets and at a profit. All resulting cash will be transferred to the United States through the regular channels.

The "COMPANY" shall continue to do business with its partners. The form of business should be a "License" and/or "Manufacturing Contract" which can also be a technology transfer or not.

The sequence of operation for a manufacturing contract/license that requires facilities modernization and capital for operation and/or to buy materials is shown in Figs. 3a, 3b and 3c. VM shall identify 18 a potential US business that the

“COMPANY” is interested in contracting out overseas a product and/or components to. VM shall ask **19** the “COMPANY” for specifications, drawings and the price to beat. After receiving all of the above information, VM shall send them to IEJVS **20** without the “COMPANY” name. IEJVS, armed with all information, shall start shopping **21** for a contractor “C.” IEJVS finds a qualified “C” able to provide quality goods at the price to beat **22** and shall sent **23** all data about “C” to VM. VM shall present **24** data about “C” to the “COMPANY.” If data is acceptable **25** to the “COMPANY,” VM will discuss/negotiate **26** with “COMPANY”: optimum prices, shipping quantities, percentages in JV1, JV2, LTC1, LTC2 and other important data. If negotiations are successful, “COMPANY” shall sign a confidentiality agreement **27**. The JV2 business plan, feasibility study and/or the total cost of the project shall be written or determined **62** with the assistance of all parties. If the COMPANY rejects **30** C, then other steps are taken **31, 32**.

COMPANY shall issue letter(s) of intent **63** spelling out clearly all conditions for creation of the JV1, JV2, OP’s for transferring the goods between companies, LTC1, LTC2 and all other necessary data. Armed with a business plan **62** VM shall approach the F(s) **64**. If the F(s) evaluate the data and agree **65** to provide financing, the F(s) shall issue letters of intent **66** spelling out clearly the amounts of money to be provided as equity, lease conditions and all other requirements. VM

shall present **67** all letters of intent to COMPANY and to C. COMPANY and C shall evaluate **68** the F(s)'s letters and if they agree shall enter in a joint venture per LTC2.

JV1 is formed **69** and COMPANY issues the LTC1 to JV1. C shall become JV2 after negotiations **70** between all parties: W, M, VM, COMPANY, F(s) and C owners,  
5 if they exist. JV1 shall issue **71** the LTC2.

Some of the F(s) providing the equity capital shall deposit the money **72** needed for the "PROJECT" in accordance with the feasibility study, to B. One or more F(s) shall issue the loan guarantees **73** to other F(s). One or more F(s) shall sign **74** the lease agreement with JV2. The F(s) who obtained the lease business shall pay **75** the finder's fee(s) to JV1 or VM. The F(s) providing the lease shall deposit money **76** in accordance with the feasibility study and their letter of intent to B. B pays **77** V1 per updated prices and V1 pays the finder fee to VM. V1 shall ship the purchased materials/equipment to JV2 with the shipping documents **78** stating the OP(s) as decided by the buyers and/or sellers. B shall wire **79** money to BC. BC pays V2 and **79** I per updated prices **80** and V2 and I pays a finder's fee to VM as agreed. The final payment to I shall be one year after JV2 modernization **81** is completed. V1 shall start shipping components and JV2 shall assemble/manufacture **83** per LTC2. B shall return D, which is the profit **82** from the project and/or project management fee to JV1 or VM. A shall be identified or formed **84**.

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The finished products are shipped **85** to JV1 per LTC2 but at the location or warehouse decided by “COMPANY.” The equivalent for labor, other expenses and profits, in finished products per LTC2 who belongs to the local partners/employees are sold to A and/or others **86** or if A finds clients **87** for the finished products shall be paid a FF by JV2. A pays **88** to JV2 for products before and/or after it sells them to others. JV2 pays **89** the profits to local partners and the F(s) who provided the equity capital. “COMPANY” pays LP **90** to the F(s) who are the lessors. JV1 pays **91** US salary in US dollars to a local manager/person responsible for JV2 operation. JV1 shall pay **92** the profits to the partners in the United States. VM can sell **93** some shares in JV1, JV2 and A to others. After the lease is paid, the “COMPANY” can sell its share in JV2 **94** to local buyers. Profits shall be paid after each shipment or as agreed by all parties.

E3) Business Needs New Plant and Operation Capital. A third party with no other interest except for the well being of the new business, should identify overseas local, qualified parties and recommend them to the “COMPANY.” The qualified partners can be any combination between the workers and management of that plant and utilities operating in that area. In these JV’s, the local partners shall be responsible for supplying and paying for all required labor, facilities expenses and utilities. The “COMPANY” must supply all necessary components to assemble the



products through a technology transfer or not. In addition to that, "COMPANY" shall be responsible for providing funds and the specifications to built the new plant. The qualified partners can be any combination between the workers and management of that plant and utilities operating in that area.

5           The third party finder's fee, for bringing business to financial institutions mentioned above, shall be a share in that business, taken from their shares if they provide the equity, cash if they provide the lease, or a combination. The third party finder's fee for bringing business to that specific area shall be a share in that business in that area. The third party finder's fee for bringing business to "COMPANY" shall  
10 be a share in that business taken from the "COMPANY" shares. The third party finder's fee for bringing business to qualified vendors through bidding or negotiated process shall be a percentage of that order.

          If the "Project"/plant will be built overseas, all of the necessary capital for purchasing the raw materials, components, equipment and money for new plant  
15 construction can and shall be supplied, under the form of equity in a specific joint venture or as lease, by the financial institutions mentioned above. Workers and management salaries and profits shall be in kind and the finished product belonging to them shall be sold on local/international markets through designated organizations. In this way, these two parties will be interested in quality, to increase the business

and the bad habit of stealing will be prevented. Any missing finished product and/or parts shall be deducted from their shares of the finished product. The utilities can introduce the JV2's local sales people to local qualified customers. The workers, management, other owners and the "COMPANY" shall take the profits as agreed, in  
5 kind and in accordance to their share of the business and when agreed.

Part or all of the capital required for construction and/or equipment-purchasing/installation can and shall be provided by one or more of the financial institutions mentioned above under a lease form. The building and/or equipment shall be leased to JV2. The "LEASE" shall be for a previously agreed upon period of  
10 time. The regular lease payments (LP), paid by lessee shall be equal or less than the profits generated in the same period of time by the percentage of the business assigned to the lessee. At the end of the lease, the property shall be transferred to the lessee at no cost. In this way, all capital required to start and operate the business will be supplied by the financial institutions with no risk for other partners. As before, this  
15 is "FREE INVESTMENT."

To ensure the optimum operation of the JV and to avoid problems of any kind with the products manufactured and/or assembled overseas, the responsible people employed by that overseas supplier shall receive a salary paid in US dollars in the United States. If there are problems, the salary shall not be paid and all or part the

damages must be deducted from their pay.

After the lease is paid, "COMPANY" shall divest in time of all holdings in the international joint ventures, via IPO's through overseas country stock markets, and at a profit. Transfer of all resulting cash to the US shall be made through the regular channels. The "COMPANY" shall continue to do business with its partners. The form of business should be a "License" and/or "Manufacturing Contract" which can be also a technology transfer or not.

Figs. 4a, 4b, 4c and 4d illustrate the sequence of operation in the case where new facilities are required, and capital is needed for construction of the new plant, operation and/or to buy materials. As shown, the third party (VM) identifies a good business opportunity overseas to manufacture/assemble a product required in that area. The third party brings the preliminary information to the "COMPANY".

This information consists of, but is not limited to: prices for similar but imported products from other countries, average labor costs, quantities needed in that country, energy prices, etc. If interested, the "COMPANY" shall issue a letter of interest stating that it wants to manufacture that product in that country to sell it there and elsewhere, specific quantities, facilities specifications, people to be employed, etc. VM takes the letter of interest mentioned above and discusses it with all interested parties in that country. If seriously interested in this business, these parties shall issue

a letter of interest **99** to VM, stating clearly what they have to offer: how many products will be purchased locally, how many exported, qualification of the people involved, etc. VM shall bring **100** the letter to the “COMPANY” for evaluation plus a detail description of the entire “PROJECT.” VM shall discuss in detail **101** creation and the percentages in JV1 and JV2, LTC1, LTC2, and OP(s). If negotiations are successful, “COMPANY” shall sign a confidential agreement **27**, write a business plan **62** for JV2 and a feasibility study showing all costs for construction, operation components etc with the assistance of all parties. “COMPANY” shall issue letter(s) of intent **63** spelling out clearly all conditions for creation of the JV1, JV2, OP’s for transferring the goods between companies, LTC1, LTC2 and all other necessary data. Armed with **62** VM shall approach the F(s) **64**. If F(s) evaluate data and agree **65** to provide financing, the F(s) shall issue letters of intent **66** spelling out clearly the amounts of money to be provided as equity, lease conditions and all other requirements. VM shall present the letters from F(s) to “COMPANY” **102** and all local interested parties. The “COMPANY” and the local interested parties shall agree **103** to enter a joint venture JV2 per LTC2. JV1 is formed **69** and “COMPANY” issues the LTC1 to JV1. C shall become JV2 after negotiations **70** between all parties: W, M, VM, “COMPANY,” F(s) and C owners, if they exist. JV1 shall issue **71** the LTC2.

Some of the F(s) providing the equity capital shall deposit the money **72** needed for the "PROJECT" in accordance with the feasibility study, to B. One or more F(s) shall issue the loan guarantees **73** to other F(s). One or more F(s) shall sign **74** the lease agreement with JV2. The F(s) who obtained the lease business shall pay **75** the finder's fee(s) to JV1 or VM. The F(s) providing the lease shall deposit money **76** in accordance with the feasibility study and their letter of intent to B. B pays **77** V1 per updated prices and V1 pays a finder's fee to VM. V1 shall ship the purchased materials/equipment to JV2 with the shipping documents **78** stating the OP(s) as decided by the buyers and/or sellers. B shall wire **79** money to BC. BC pays V2 and I per updated prices **80** and V2 and I pays a finder's fee to VM as agreed. The final payment to I shall be one year after JV2 modernization **81** is completed. V1 shall start shipping components and JV2 shall assemble/manufacture **83** per LTC2. B shall return D, which is the profit **82** from the project and/or project management fee to JV1 or VM. A shall be identified or formed **84**. The finished products are shipped **85** to JV1 per LTC2 but at the location or warehouse decided by "COMPANY." JV1 transfers the goods per LTC1 190. The equivalent for labor, other expenses and profits, in finished products per LTC2 who belongs to the local partners/employees are sold to A and/or others **86** or if A finds clients **87** for the finished products shall be paid a FF by JV2. A pays **88** JV2 for products before and/or after it sells them to

others. JV2 pays **89** the profits to local partners and the F(s) who provided the equity capital.

“COMPANY” pays LP **90** to the F(s) who are the lessors. JV1 pays **91** US salary in US dollars to local manager/person responsible for JV2 operation. JV1 shall pay **92** the profits to the partners in the United States. VM can sell **93** some shares in JV1, JV2 and A to others. After the lease is paid, the “COMPANY” can sell its share in JV2 **94** to local buyers.

To ensure the optimum operation of the JV and to avoid problems of any kind of the products manufactured and/or assembled overseas the, responsible, people employed by that overseas supplier shall receive a salary paid in US\$ in the United States. If there are problems the salary shall not be paid and all or part the damages must be deducted from their pay.

Certain “Safety and Control Measures” are necessary to guarantee the complete success of the “PROJECT.” That means the following:

a) The buyers will receive the quantity and quality of goods as specified in contract(s) because the JV2 management will receive an extra salary in US dollars in the United States.

b) The sellers (V) and contractors (I) will be paid for the products and/or services provided, by reputable banks, and B shall pay V in the United

States avoiding the cost of LC. BC, the B branch in that specific country, shall pay I, a contractor in that country leaving out any doubt that the client does not have enough money to pay for his services.

c) The profits will be distributed to everybody according to the number of shares owned in a specific operation including the third party at the desired location(s)

d) Once the project was identified and started the initiators, facilitators, promoters etc, will not abandon, or slow down the intensity of their work until the project is completed and operated successfully. The shares owned by the third party (VM) have no value unless the operation is profitable.

e) The lenders/leasers will be paid in time and without any problems by a "COMPANY" located in the United States.

f) Avoid currency fluctuations and, if possible, exchange fees. All transactions will be in US dollars.

g) Minimize the taxes paid by everyone anywhere to a wide range of interested parties.

h) Minimize/avoid where and if possible the number of LC(s) presently necessary in the international trade.

i) Optimize third party profits, and profits in general.

The "PROJECT" must meet the requirements imposed by all the financial institutions mentioned above, buyers, sellers, lessors, lessee and contractors.

If the amount of capital required by the "PROJECT" exceeds the limits allowed by the respective(s) financial institutions, the "PROJECT" must be divided into  
5 "SUBPROJECTS" to accommodate their requirements and/or limitations. Each "SUBPROJECT" shall become a stand alone "PROJECT" and have its own Finder's Fee.

To meet all conditions and satisfy everyone, the sequence of operation, project architecture, safety and control measure(s) of the "PROJECT" need a special,  
10 custom made engineering. This type of work shall be called "Financial Engineering."

F) After the lease has been paid, the "COMPANY" should divest, in time, all of the "COMPANY" holdings in the international, joint ventures, via IPO's through their stock markets, at a profit. The "COMPANY" should also transfer all  
15 resulting cash, to the United States, through the regular channels. The "COMPANY" shall continue to do business with its partners. The form of business should be a "License" and/or "Manufacturing Contract" which can be also a technology transfer.

G) With the cash realized from implementation of step "F" above, the "COMPANY" will purchase small technology companies, with products, that are



complementary to "COMPANY" counterparts. In this way, the "COMPANY" can increase its product line and become more competitive.

Internationally, the "Office Equipment Maker" will have strong advantages and no real competition for the time being:

5           1)     Good business relations with foreign phone, utilities or airline companies, to whom the "COMPANY" sold, through negotiations or bidding process the United States phone business or utility or aviation equipment/services. These companies can have a major roll in the "COMPANY" international expansion, under the "Office Equipment Maker" brand name. They are strong in their own countries and have purchase, or strategic investments in similar businesses in other parts of the world: South America, Eastern Europe, etc. They can introduce the "COMPANY" to their customers, for a finder's fee. To stimulate the "COMPANY" prospective customers the power, natural gas distribution, phone and airlines companies can provide incentives to their customers who bought "Business Solutions" services under the form of rebates or free tickets.

2) As an investor in media businesses mentioned above, the "COMPANY" can suggest investment in similar companies located overseas. This will help the "COMPANY" internationally with the advertising campaign(s). For products manufactured overseas, the "COMPANY" can obtain better rates and advice

from the interested locals who know their market(s) and customers. Overseas media companies wholly owned subsidiary or joint ventures of the United States or US-based media enterprises should advertise American products. The US media-holding corporation shall recruit businesses interested in selling their products overseas. The  
5 US-based companies must receive the advertising fees in US dollars and in the United States. From this money, only the part to cover the expenses shall be sent overseas. The rest shall stay in the United States. This way, the bad habit of not reporting the right amount of profits is eliminated and also the exchange and repatriation fees. Also, the US media companies shall collect, overseas, the advertising fees for country  
10 products that are targeted for export in the US or elsewhere, and where the advertising will be done by US or US overseas subsidiaries.

Certain "Tax Optimization Packages" are available for multinational, private or government, international marketing, barter and import/export, organizations, mergers and acquisitions and/or other intermediary company interested  
15 in the above. They are as follows:

- 1. Method to optimize and increase the revenue from import taxes imposed by government(s), revenue from barter, , import/export operations.**

The international shipping documents can show a different amount of

dollars than the actual amount paid for the exported products. If the amount is lower, it will be lower import taxes that improve the bottom line of the importing company. If the amount of dollars is higher, the profits will be lower for the importing company affecting their bottom line.

5           This will work best if companies, the importing and the exporting ones, are part of the same enterprise as joint ventures or wholly own subsidiaries. In the case of the joint venture, the partners in the exporting country may be interested in keeping some of the profits in other countries with a lower tax bracket. The decision shall be made taking into consideration all taxes in the countries involved. The OP(s) 10 must be decided by common agreement between buyer(s) and seller(s).

          Regarding the sequence of operation as shown in Fig. 5, IEJV shall be formed **104** in the United States. IEJVS, its subsidiary, shall be formed **105** overseas.

IEJVS shall start by identifying **106** overseas manufacturers of competitive products and overseas qualified clients interested in purchasing, competitive US products and 15 pass the information **107** to IEJV. IEJV shall locate **108**, in the United States, qualified clients for the overseas made products proposed by IEJVS. It shall also locate **109** producers of the products desired by the overseas clients. IEJV shall send all required information **110** about US products at list or quoted prices, but all purchases shall be at negotiated prices. The difference is the IEJV profit. The

overseas client (OCL), if interested to buy at quoted prices, shall advance all necessary money **111** to IEJVS. IEJVS shall wire **112** the money to IEJV. IEJV shall pay to V1, 50% of the product cost at negotiated prices in advance **113** and the difference after receive approval from IEJVS. V1 shall ship **114** the goods directly to OCL. IEJVS shall receive **115** the go ahead from OCL. IEJVS will pass this on to IEJV **116**. IEJV pays **117** the difference to V1. If the OCL is interested in buying at quoted prices, but does not have the money **211**, it shall ask IEJVS to investigate trade financing possibilities **212**. IEJVS passes this on to EJVS **213** and IEJV contracts F(s) and, if approved, everything goes forward per standard trade financing practices **214**. If a USCL is interested **118** in purchasing products from V2 after receiving information at quoted prices from IEJV a few things can happen:

1. USCL shall enter in direct negotiations **119** with V2 and make payment in accordance with their common agreement. If V2 made the sales and received the payment **120**, it shall pay a finder's fee to IEJVS.

2. IEJV shall pass the information about the order **121** including prices to IEJVS. IEJVS makes sure **122** that everything is acceptable to V2. If it is, the USCL shall pay 50% of the value of the order **123** in advance to IEJV. IEJVS shall purchase **124** the goods wanted by USCL at negotiated prices, below the quoted ones from V2 with the first payment at 50% of the order value. V2 shall

ship the goods **125** directly to USCL. The goods are received **126** by the USCL. The USCL pays to IEJV the remaining 50% **127**. IEJV keeps the profit and wires to IEJVS the amount needed **128** to be paid to V2. IEJVS pays V2 **129**.

There is an alternative that could happen in the United States with V1. If the OCL is interested in buying US products at quoted prices **130**, it shall contact IEJVS. IEJVS shall inform **131** IEJV. IEJV shall inform V1 and discuss **132** the finder's fee. V1 shall negotiate **133** with OCL for everything, including the payment method. V1 ships the goods **134** and receives payment. V1 pays the finder's fee to IEJV **135**. The products shall be shipped directly from V1 and V2 facilities to USCL and OCL saving money for the export companies (IEJV and IEJVS).

## **2. The M & A Optimization - Multi Step Barter Method.**

The third party identifies one or more good acquisition opportunities **136** for the "COMPANY." It can also identify candidates **137** to be divested by the "COMPANY." The third party identifies some potential buyers **138** for the divestiture candidates. The third party shall inform the "COMPANY" **139** and the "COMPANY" may add to the divestiture and acquisition **140** list or deduct. The third party presents to the "COMPANY" a plan of action **141** to optimize the "PROJECT" and discuss the Finder's Fee.

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The "COMPANY" makes its own evaluation **142** and agrees with some or all of the things proposed by the third party. "COMPANY" decides the approximate prices for the divestiture and acquisition candidates **143** with or without the assistance of the third party. If the "COMPANY" evaluates **144** and rejects, then the PROJECT is dropped **145**. The "COMPANY" shall approach the prospective buyers **146** with or without the assistance of the third party. "COMPANY" enters **147** into separate negotiations with all prospective buyers for part or all of the businesses to be divested. After the negotiations are completed and the purchasing price was agreed **148** upon by both parties, the "COMPANY" shall ask each buyer to purchase a certain number of shares, in some or all of the acquisition targets, equal in value with the purchasing price of the business, or a share of it, to be divested by the "COMPANY" in an agreed period of time **149**. This way the buyers can negotiate **150** with the owners of companies in the "COMPANY" acquisition list to purchase some or all of their shares at a price convenient to them reducing the cost of their acquisition. Once all the buyers have purchased all the assigned shares in the targeted companies **151** (the "TC(s)"), the barter can take place. The shares bought by the third party buyers shall be traded **152** for the "COMPANY" businesses in the divestiture list and as agreed. The shares in the TC(s) at the time of the barter(s) can have

different values than the purchase price due to many factors. If the owners of those shares (TC) price them below the purchased price and/or the price falls and the barter takes place as agreed all parties will have a loss **153**. If the prices stay the same, the barter shall take place as planned **154**. If the prices go up, the deal can take place or be renegotiated **155**.

At this point, and after the barter takes place, "COMPANY" has acquired a substantial amount of shares in TC(s), if not the majority **156**. The third party shall approach the owners and/or managers of the TC(s) and explain to them the advantages for them and their company if acquired through a friendly merger by the "COMPANY" and not by others, convince them to enter into negotiations with "COMPANY" and negotiate the Finder's Fee to be paid by the TC to third party if the merger will take place **157**. If the Finder's Fee is agreed, and the TC conditions are clearly understood by the third party **158**, the third party shall pass on all the information to "COMPANY" **159**. "COMPANY" with/without the assistance of the third party shall enter in negotiations with the owners/managers of the TC **160**. If the negotiations are successful and all managers, owners and lawyers involved are in agreement the TC shall pay the Finder's Fee to the third party **161**. When the actual merger takes place, the third party shall exchange its share in the acquired company for shares in the

“COMPANY” 162. During the exchange or short time after, and as agreed, the  
“COMPANY” shall pay its Finder’s Fee to the third party in “COMPANY” shares  
163.

It is to be understood that, although references in this detailed  
description are made to the methods of the present being implemented by a United  
States company, the methods of the present invention could be implemented by  
companies located in other countries and other countries as well in the same  
fashion and manner as disclosed herein.

Based upon the foregoing, it will be apparent that there has been  
provided a method for business solutions which, if implemented correctly, can  
increase the productivity of a business and also lower the cost of products and  
services provided by that business or by its related companies.